

**SUMMARIZED MINUTES
HUMAN SERVICES COMMISSION
MONDAY, FEBRUARY 6, 2006**



**VIA LINDA SENIOR CENTER
10440 E. VIA LINDA– ROOM 4
SCOTTSDALE, AZ 85258**

CALL TO ORDER

Chair Bachmann called the meeting to order at 1:04 pm.

ROLL CALL

Present: Chair Bachmann, Vice-chair Reid, Commissioners Bowers, Czapinski, Fausel and Hemmingsen

Also Present: Housing Board Chair Del Monte Edwards, Housing Board Member Gary Morgan, Connie James, Mark Bethel, Donna Brower, Cindy Ensign, Phil Hershkowitz, Diane Kallal, Valerie Kime Trujillo, Rita Koppinger, Justin Lisonbee and Jack Miller

Absent: Human Services Commissioner Berg (until 2:30 PM)
Human Services Commissioner Czapinski (after 3:50 PM)

APPROVAL OF MINUTES FROM JANUARY 26, 2006 MEETING

Chair Bachmann called for a motion to approve the January 26, 2006 meeting minutes. Vice-chair Reid moved for approval of the January 26, 2006 meeting minutes; Commissioner Fausel seconded and the motion carried unanimously.

OVERVIEW OF CDBG AND HOME FUNDING PROCESS

Mark Bethel, Community Assistance Manager, provided the Commission with an overview of the CDBG and General Funds Programs and the city's process for allocating funds with the following remarks:

Chairman Bachman, Chairman Edwards, Housing Board Member Morgan and Members of the Human Services Commission,

This afternoon is the mid-point in a funding process that began in October with a pre-application orientation and will end in July with the execution of a grant agreement with HUD and sub-recipient contracts with agencies for services and developments in the next fiscal year.

Scottsdale has a considerable history of working in partnership with non-profit providers of housing and human services to capitalize on the resources and passion that those agencies bring to the residents of this community. On behalf of the City and my staff, I would like to welcome and thank all of the presenters who are here this afternoon and appreciate that you have made the time to present.

The estimated funds available from CDBG and HOME activities amounts to \$1.6m (1,670,876). This year we received requests for approximately \$1.9m (1,890,925). This year, *as in every year*, there are more legitimate needs for many times the amount of money that is available for allocation. There will be good applications for important services that will not be able to be funded. Your task will not be easy; but your

responsibility is an important one. You need to have the opportunity to find out as much information as you need to be able to make your best recommendation to council.

There are 24 presentations scheduled for today. The applications were distributed to members of the commission two weeks ago. If the staff has had questions or concerns that we felt the commission should be aware of, we have given that information to you already. We did not have questions of every application, if we did, copies of these evaluation sheets were sent to the agencies so that they would have the opportunity to address these issues in writing before their presentation today. Agencies have been requested to submit responses prior to this meeting.

In order for you to hear all of the presentations we have asked the presenters to limit Public Service presentations to 3 minutes; 10 minutes has been allotted to the more complex housing related presentations. The Commission and Board representatives may then take as long as you need to ask questions. We will be using a timing light today to remind presenters when their three minutes are up. Donna Brower is the timekeeper today. In fairness to other presenters, we will be enforcing their time limit. If a presenter does not stop speaking shortly after the red light comes on, Donna will tap you on the shoulder. I ask that Chair Bachmann repeat this reminder periodically during the hearing, and after any breaks, so that people coming in later will be aware of this.

If members of the commission or board representatives have any questions of staff today, we will answer them if we can but we may need to reserve the right to do some research and send written responses prior to the next Human Services Commission meeting.

Chair Bachmann, I would now like to turn the meeting back over to you, and if you could please read the Conflict of Interest Statement.

Chair Bachmann read the following Conflict of Interest Statement:

The Arizona Conflict of Interest laws are found in Arizona Revised Statutes Sections 38-501 through 38-511. They apply to public officers and employees of various public bodies and political subdivisions, including city boards and commissions, such as the Human Services Advisory Commission.

The statutes prohibit public officers and employees from engaging in certain types of activity or conduct, including participating in or voting upon contracts or other matters in which they, or a relative, have a substantial interest. A "substantial interest" is defined as "any pecuniary or proprietary interest, either direct or indirect."

In other words, if you as a Commission member, or a relative of yours, have a money or property interest that may be affected, either positively or negatively, by the action of the Commission, relating to a matter before it, you have a conflict of interest. You may not participate in nor vote upon any such matter. When you become aware of a conflict of interest, the law requires that you make that interest known on the official records of public agency, in this case the Commission minutes, and refrain from participating in any manner in such decision.

Does anyone wish to make known a conflict of interest, for the record, at this time?

No Commissioner or Housing Board representative made known any conflict of interest.

PUBLIC HEARING ON PROPOSALS SUBMITTED FOR CDBG AND HOME FUNDING

Public Services

Advocates for the Disabled, Inc., - Sherry Whitener, Executive Director, presented the agency's request for \$10,000 for the Disability Claim Service. The service provides specialized intensive case-management to disabled, low-income people who are in the process of trying to obtain Social Security disability benefits and/or Supplemental Security income benefits due to their emotional and/or physical

disability, which is severe enough to affect their ability to work. The services will serve 34 Scottsdale citizens, all of who are low to moderate-income.

Commissioner Hemmingsen asked what is the estimated number of disabled in Scottsdale that require assistance. Ms. Whitener said that they have approximately 30 to 50 individuals in Scottsdale who have requested our services and other individuals that transfer and move into Scottsdale, which is not represented in the count. She added that the difficulty they have is with homeless population, because when they go into shelters they often inform us that they are from Scottsdale and that gives us the difficult task of knowing where they last resided.

American Red Cross, Grand Canyon Chapter – Harry Coyle, Preparedness and Response Officer, presented the agency's request for \$12,500 for their Local Disaster Relief: Scottsdale, which provides on scene assistance in the event of home/apartment fires, monsoon or other disasters with food, a safe place to stay, clothing, medications and comfort. It is estimated that the program will serve 38 Scottsdale recipients of fair housing services, all that are low to moderate-income.

Arizona Fair Housing Center – the agency was not in attendance to give a presentation.

Big Brothers Big Sisters of Central Arizona – David Shank, LCSW, Director of Grants and Teresa Kretchen a big sister with the organization, presented the agency's request for \$15,000 for Scottsdale Mentoring, which will provide science-based prevention services through adult/child mentoring. The program will serve 30 Scottsdale citizens all that are low to moderate-income.

Chair Bachmann asked how many mentors the program has. Mr. Shank said that there are approximately 2,000 mentors serving 2,500 kids per year across the valley. He added that there are 130 kids served in Scottsdale.

Commissioner Bowers asked how long is the relationship with the mentor is with the mentee. Ms. Kretchen said that usually 6 months or until they are 18 years old. She added that she will be a big sister past the age of 18 and has heard that some keep in contact until the person is as old as 70. Commissioner Bowers asked when taking the big brother or sister places, does the mentor use funds from the agency or their own funds and Ms. Kretchen said she uses her own funds.

Commissioner Fausel asked if there is a waiting list? Mr. Shank said there are no girls waiting, but they do have boys: 10. He added that mentors serve an average length of about 2 ½ years.

Boys & Girls Clubs of Scottsdale – Marybell Ramirez, Outreach Services Manager, presented the agency's request for \$19,350 for Operation Outreach. Operation Outreach provides safe, high quality, value-based educational, cultural, social and recreational programs to children of working families living in the Minnezona, Paiute, Bellevue and Vista del Camino neighborhoods.

Commissioner Fausel asked what is the staff retention, what is the turnover rate for the agency. Ms. Ramirez said that currently the staff that they have had this last year has been there for at least a year.

Commissioner Reid asked what the ratio of staff is to youth. Ms. Ramirez said that it depends on the site, but it is usually about a 20 to 1 ratio.

Commissioner Fausel asked what opportunities are there for staff training. Ms. Ramirez said that throughout the organization they do an orientation when the employees start and a summer orientation that is mandatory. She added that they do specific programs that come from the national office such as a teen training.

Commissioner Fausel asked what the interaction is with parents or primary care givers. Ms. Ramirez said that they do quarterly meeting with parents and day-to-day deal with calls and visits regarding the needs of children in the program, such as education or other social needs, because the agency is linked with other agencies in the community. She added that they can refer out or help them through the process of receiving services.

Commissioner Fausel asked if there are any early childhood partnerships. Ms. Ramirez said no, this is the first year that the agency has started taking 5 year olds as they usually have a youth program for children 6 to 12 and then a teen program for youth 13 to 19.

Chrysalis Shelter for Victims of Domestic Violence, Inc. – Patricia Klahr, Executive Director, presented the agency's request for \$32,000 for the Scottsdale Crisis Shelter. The Chrysalis Scottsdale Crisis Shelter houses single women and women with children who are victims of domestic violence. Once admitted, each woman and her children may stay in the shelter for up to 90 days. The shelter will serve 285 Scottsdale residents, all from low to moderate-income households.

Vice-chair Reid asked what the length of time a person stays in the shelter. Ms. Klahr said the length of time is 120 days, although the average is 28 days. Vice-chair Reid asked in those 28 days, what types of services do the residents receive. Ms. Klahr said that services range from case management, counseling and job training to coordination of services for self-sufficiency. She added that the agency has a transition program that has two apartments in Scottsdale and that the first service they provide to clients is the safety planning, because that is the most important.

Commissioner Bowers said that the average level of schooling shows 11th grade, does the agency provide assistance in obtaining GEDs for the clients? Ms. Klahr said that yes, that is part of the self-sufficiency program and they do not have the program onsite, but do refer out to other agencies.

Commissioner Fausel asked about the agency's corporate partnership program. Ms. Klahr said that they are trying to go out to corporations and ask for help in a variety of ways, cash and in kind to assist; such as Verizon wireless to give us cell phones and absorb the cost.

Civitan Foundation, Inc. – Dawn M. Trapp, Executive Director, presented the agency's request for \$9,339 for the Our Night Out Program. The program provide highly qualified and enriching evening respite activities for Scottsdale residents with disabilities in a community-based setting. The program will serve 25 or more annually, all from low to moderate-income households.

Commissioner Bowers asked if the agency has a site chosen. Ms. Trapp said that they have been working with Scottsdale Bible and another is at New Day School. She added that they are canvassing the area to find some good locations, as they want to offer more than one.

Vice chair Reid asked how many residents the agency will serve. Ms. Trapp said that they think that they would serve 25 per night, with a ratio of one on two; they do not go over their ratio. She added that they are also looking into partnering with some schools, but have no specific locations yet.

Community Bridges, Inc. – Kristin Polin, Director of Community Programs and Public Relations presented the agency's request for \$15, 800 for substance use disorder treatment services. The services provide a continuum of substance use disorder treatment services including crisis care, medical detoxification, transition management and outpatient services for homeless, indigent and working poor men and women from Scottsdale. The agency estimates that 296 individuals from Scottsdale will receive emergency crisis care and 145 will participate in medical detoxification for a total of 441 Scottsdale residents, all of whom are from low to moderate-income households.

Commissioner Bowers asked where the medical detoxifications take place. Ms. Polin said that they have two facilities, one on Belleview between Broadway and Southern and another on Van Buren and 28th Street. She added that the majority of the clients go to the east valley location. She added that potential

clients can be dropped off by family members, Value Options, the police or crisis staff at any time of the day as the agency operates 24/7.

Connie James asked what the agency's current program is for methamphetamine addiction. Ms. Polin said that is tricky, because that addiction is dependent on time and medical detox is medically necessary whereas methamphetamine addiction usually starts with agitation, which leads to using again. She mentioned that they are trying a new drug called Prometa, but are only in trials now and are not sure what the outcome will be.

Vice-chair Reid asked how often staff goes through training. Ms. Polin said that in her department there is a minimum of 30 hours of training required per year and all licenses must be up to date. She added that across the agency, with 135 employees, there is mostly in house training and outside training would be approved if there were funds and the training would be advantageous for the agency.

Community Information & Referral – Roberto Armijo, Executive Director, presented the agency's request for \$10,000 for the Community Network for Accessing Shelter (CONTACTS). This project will provide the toll-free, bilingual, 24-hour CONTACTS Hotline. CONTACTS is a specific hotline for victims of domestic violence and other homeless individuals. A homeless person or victim of domestic violence calls the call center where an operator gathers intake information. The call center operator has access to a computerized connection to a central database, which displays current bed availability of 66 homeless and domestic violence shelters in Maricopa County. The call center operator and the caller then conference call the appropriate shelter to confirm available space and begin the specific screening and intake procedure of the shelter. The program will serve 1,000 Scottsdale residents, all from low to moderate-income households.

Chair Bachmann asked what the agency attributes the increase in calls to. Mr. Armijo said that he isn't sure, perhaps the better job of promoting or an increase in the need of shelters; there has been an increase consistently over the years.

Homeward Bound – Brian Lotto, Grants Manager, presented the agency's request for \$26,000 for Case Management and Employment Services. Case management and employment services will be provided to low-income Scottsdale families with dependent children. Homeward Bound provides intensive and comprehensive social services to facilitate these families in becoming self-sufficient and capable in maintaining safe, decent, and affordable housing upon completion of the program. At this time, 46 individuals reside in Scottsdale homes, and the agency expects to serve 40-60 individuals annually in Scottsdale, all from low to moderate-income households.

Commissioner Hemmingsen asked how many homeless are there in Scottsdale. Connie James said that Scottsdale held their annual Homeless Count on January 24 and the count was 104. She added that on average there are 15 to 20 homeless at Vista del Camino per month, especially during the winter.

Commissioner Hemmingsen asked where the agency's referrals come from. Mr. Lotto said that many come from CONTACTS, various shelters, cities, police, churches and word of mouth. Housing Board Chair Edwards asked how residents get to the shelter. Mr. Lotto said that organizations call and they start the referral process, which includes meeting certain income (according to HUD guidelines), matching to appropriate place in reference to family size, where people are working, going to school whether or not they have transportation, etc. Housing Board Chair Edwards asked if the agency has to turn anyone away. Mr. Lotto said yes, if the agency is at capacity or the potential client does not meet the guidelines. He added that the agency has a waiting list and they ask families to keep in contact for openings.

Vice-chair Reid asked what is the follow up after the family leave. Mr. Lotto said that they ask for a permanent address and they follow up with a call or letter at six months and then again at 12 months.

Vice-chair Reid asked what feedback comes from families. Mr. Lotto said they get a lot of positive feedback from the families. He added that they have had families who have come to the agency with

nothing and then through our program, 24 months later they own their own home. You can't put a price on that.

Commissioner Fausel asked about the budget summary and why the funds from major collaborators were not listed. Mr. Lotto said that the form made it difficult to list the break out of the funding and that the donations could be in cash or in kind.

Commissioner Bowers asked what happens to the 10% of clients that do not obtain homeownership, can they remain in the program after 24 months. Mr. Lotto said they either stay in the program or they are referred to another similar program as not every family has all their needs fulfilled in their program. He added that most of their families go on to obtain permanent housing, leave and live with their parents or other family members or move out of state.

Save the Family Foundation (STF) – Janice Parker, Executive Director, presented the agency's request for \$25,000 for Case Management and Supportive Services for Homeless Families with Children. Save the Family will provide case management and supportive services for homeless families with children referred from the City of Scottsdale. Save the Family has served nine families from Scottsdale so far this year. Each family receives comprehensive case management in finances, parental goals, counseling, and information and referral. Save the Family receives a number of its referrals from the Chrysalis Shelter. The agency will serve 42 Scottsdale residents, all from low to moderate-income households.

Commissioner Bowers asked how this agency differs from Homeward Bound. Ms. Parker said that Save the Family and Homeward Bound started around the same time; Save the Family has units all over the valley and Homeward Bound has a main facility; both have a comprehensive program that work on self-sufficiency and stabilizing the family unit. She added that Save the Family has traditionally always served domestic violence clients.

Commissioner Hemmingsen asked if the agency has seven affordable rental units in Scottsdale. Ms. Parker said no, they have 12 affordable rental units in Scottsdale above and beyond the transitional program that the agency is asking funds for. She added that in the ARM portion of Save the Family, they have just closed on another affordable rental unit and they are starting the rehabilitation process.

Commissioner Bowers asked if the clients pay for a certain portion of rent from their salary. Ms. Parker said that clients pay a fee based on the HUD guidelines, but Save the Family gives those fees back to the client when they leave, so anything over \$275 is put in an escrow account. If they do not go on to the Second Step program with Save the Family, they can use the funds out in the community; some have even been able to save enough for a down payment on a house.

Commissioner Berg arrived at the meeting at 2:30 PM.

Scottsdale Training and Rehabilitation Services (STARS) – Jeffrey Battle, President/CEO, presented the agency's request for \$32,500 for the Community Based Employment Program. The program provides low-income adults with severe disabilities the opportunities and resources to secure and maintain remunerative employment in the mainstream work force. They engage in any of a continuum of community-integrated work experiences, including job readiness assessment and training, job development and placement, group and individual supported employment, on-the-job training and job coaching, and transportation assistance. The program will serve 25 Scottsdale residents, all of who are from low to moderate-income households.

Commissioner Bowers asked what are enclave sales and private tuition funds. Mr. Battle said that one of the agency's placements does assessment training and under our supervision, the agency has clients that do customer service work at Fry's and the enclave sales are the revenues that the agency charges to crew their customer service function. He added that if an individual is ineligible for state funding from disability, the agency charges them the same rate that they charge the state.

Commissioner Fausel asked if those working with the agency's clients are trained in dealing with their needs. Mr. Battle said yes, they find they often spend more time with employers than with our own clients and yes, they provide, as needed and as employer will allow, coaching with coworkers, supervisors and others in the organization.

Tempe Community Action Agency, Inc. (TCAA) – Beth Fiorenza, Executive Director, presented the agency's request for \$100,000 for the TCAA Scottsdale Senior Action Program. This program serves elderly Scottsdale residents by providing nutritious congregate (group) meals (request is for \$51,600), nutrition assessments and follow-up, socialization, fitness and recreation activities, health promotion activities, outreach, and social service home visits. Six program days are provided weekly: five days each week (Monday through Friday) at the Civic Center Senior Center, and one day each week (Wednesdays) at Vista del Camino. The program will serve 1,516 individuals- - including guests (16,536 meals), 100 peer support clients and 273 seniors for home delivered meals (33,605) for a total of 1,789 Scottsdale residents, of which 98% are from low to moderate-income households.

Ms. James asked what the agency's plan is while Vista del Camino is closed for a year and are the charges to Vista included in their budget. Ms. Tabor said that yes, the charges are included in their budget and they plan for clients displaced from Vista to go to an existing site either in Scottsdale or in Tempe.

Senior Peer Counseling

The request for this program is \$12,400.

Human Services Coordinator Donna Brower asked what Mr. Baldwin's credentials were, is he a master level social worker? Ms. Tabor said that Mr. Baldwin did not have his Master's in Social Work, but that he was the clinical director for many years at Salvation Army and he brings many years of experience to the agency that they feel is the equivalent to a Master's Degree.

Home Delivered Meal Program

The request for this program is \$36,000 and is for Scottsdale Cares funding.

Commissioner Fausel asked if the agency had any requests to feed family pets. Ms. Tabor said no, but they have had requests to care for a pet.

CDBG Acquisition of Real Property

Community Services of Arizona – Jeff Hale, Housing Development Associate, presented the agency's request for \$750,000 for the acquisition of land and building for provision of affordable housing. The agency plans to acquire land and building in the Bellevue neighborhood to revitalize the area and make housing available for low and moderate-income Scottsdale households. The program will serve at least eight households.

Housing Board Chair Edwards asked if the 1 million dollar proposal was accurate. Mr. Hale said that he provided a project spreadsheet with the development budget, but this is preliminary, as the project will most likely be a 14 million project with much private debt. He added that to get the land they would need to find an equity partner and have funding commitments from the city. He added that the project will be at least 10 million if the project is a large condominium project as they envision. However if the commission wants the agency to focus on the Holiday Park area, they would do that and use private debt for the project.

Housing Board Chair Edwards asked what happens if the commission funds the agency and they cannot acquire any property in Scottsdale. Mr. Hale said that they are confident that they can acquire a property in Scottsdale.

Housing Board Chair Edwards asked if they would demo anything at the nine units on Bellevue. Mr. Hale said that they are rented and are owned by the agency, but they would consider demoing the units they have, in order to get a larger density of units.

Housing Board Chair Edwards asked how long until the agency has a completed feasibility study. Mr. Hale said that they have a good consultant that will work fairly speculatively, so they would engage her, as well as an architectural firm that is interested in doing these types of projects, he added that it is difficult to find people who will work pro bono initially.

Housing Board Member Morgan asked what portion of the money requested is used for purchase and what portion for feasibility and fees. Mr. Hale said that the total \$750,000 would be used for acquisition of the property.

Housing Board Member Morgan asked if the agency's other properties would be contiguous with the acquired property and Mr. Hale said yes, that is our goal.

Housing Board Member Morgan asked if the agency had spoken with the city's planning department and gotten their thoughts on the remodel in that area. Mr. Hale said no, they have looked at the zoning and know that they would have to change the current zoning to acquire the property. He added that they expect that the agency would invest significant time meeting with the planning department, once the project has been funded. He added that he has spoken with ASU representatives regarding their timeline.

Housing Board Member Morgan asked if all the Goodyear Tire property would be easily rezoned through City Council if acquired. Mr. Hale said that it is difficult to zone for multifamily, but the agency believes that the city is interested and that it is possible, but it would have to go before the city council. Mr. Bethel added that city staff is aware of the initial proposal and the planning department is aware, but their involvement is contingent on a referral from the Commission. Once the proposal is accepted, staff can get more answers as the project moves forward.

Mr. Bethel asked that if a property like Goodyear is acquired what capacity does the agency have for relocation requirements because we are dealing with Federal Funds. Mr. Hale said that that is why the agency hasn't talked to anyone because they don't want to trigger the Relocation Act; however, we are working with a relocation firm and they are familiar with the law regarding the Relocation Act, and they have contacted Jay Smith with HUD who is the Relocation Specialist to see if we've met all requirements for relocation. He added that they would have to pay losses and all the costs to move the company to a like location, but all of that would be built into the budget.

Commissioner Hemmingsen asked what would happen if there were any environmental issues with the property acquired. Mr. Hale said that environmental issues would be part of the agency's analysis, historical use, anything that may be an environmental hazard. Commissioner Hemmingsen asked if there was a problem would the agency address it at that time. Mr. Hale said yes, and there would be a possibility for additional funding if that was the case.

Commissioner Hemmingsen asked how much land the requested \$750,000 would purchase. Mr. Hale said that they believe it would acquire at least one good-sized parcel.

Housing Board Member Morgan asked if the agency were to get the funding to buy additional property, would it all be contiguous. Mr. Hale said yes, they have one unit on Bellevue. Housing Board Member Morgan asked if the agency were able to add to their land inventory would they develop all of it or just the parcel they purchase. Mr. Hale said that they plan to use their current inventory as is and in the future due a large scale remodel project.

Housing Rehabilitation

Arizona Bridge to Independent Living (ABIL) - Darrel Christenson, Director of Community Reintegration and Jay Murillo, Home Modification Coordinator, presented the agency's request for \$66,252 for the Scottsdale Home Accessibility Program (SHAP). The program assists low-to-moderate income Scottsdale resident with disabilities to modify their homes to maintain and enhance independent living and community participations. The program will serve 15 person, all with low to moderate incomes.

Housing Board Chair Edwards asked if this proposal was for renters. Mr. Bethel said that two CDBG programs that are currently administered by the Community Assistance Office are the City of Scottsdale's Major Rehab Program and FSL's Emergency Repair Program. Both are for owner occupied homes; the city has no programs for rental units. This proposal is for rental homes. Mr. Christenson said that they can do either rental or owner occupied with this proposal; it is alterable. He added that this proposal deals with what is missing in Scottsdale, which is the rental component. .

Commissioner Bachmann asked if the agency is asking for funding for 15 projects and Mr. Christenson said no, 15 households. Chair Bachmann asked what a typical example is of the work that the agency does. Mr. Christenson said that once the agency is in the house they help with navigation issues, such as widening doors, put in high-rise toilets, grab bars or replace vanities. Mr. Murillo added that many times it is also necessary to install a rolling shower.

Housing Board Member Morgan asked how the agency deals with landlords when they are attempting to make improvements. Mr. Christenson said that the agency has a requirement of a one-year lease for all participants and the landlords have to sign off, allowing the agency to do the work.

Housing Board Chair Edwards asked if the agency contracts with the landlord to do any of the work. Mr. Christenson said yes and only once or twice has the landlord refused to do the work. He added that the agency also refers potential clients to other programs if they cannot help.

Housing Board Chair Edwards asked if the agency's proposal was for physical modifications on rentals only. Mr. Christenson said that part of the funds the agency is requesting is for staff time, as clients often need other services such as a peer mentors, skills training and personal attendance. He added that the agency takes an holistic approach.

Mr. Murrillo added that the agency has a personal care attendant that provides services to many clients in the program, and they often 5 to 10 clients a day to other services in the valley.

Vice-chair Reid asked if there was a separate fund of money for assessment and intake of clients. Mr. Christenson said no, those funds are included in Mr. Murillo's time. He added that Mr. Murillo does the assessment of the home, presents other services available to the client and then coordinates with the contractors.

Commissioner Fausel asked how the agency markets their services. Mr. Christenson said that they are working with the Arizona Multi Housing Association and are also members of the Arizona Fair Housing Partnership, so they are very visible in the housing industry.

Commissioner Hemmingsen asked if the proposal is for homes or apartments. Mr. Christenson said that the proposal is for apartments, but if the commission recommends homes and apartments, the agency can modify their proposal. Commissioner Hemmingsen asked if the agency can do modifications to homes or apartments and Mr. Christenson said yes, they would do whatever is specified.

Commissioner Hemmingsen asked if the agency files any liens and Mr. Christenson said no.

Commissioner Berg referred to the monies set aside for salaries in the agency's budget and asked if they are for part-time or full-time positions. Mr. Christenson said that for this program 25 percent pays for Mr.

Murillo's salary, 5 percent for his salary, 3 percent for the bookkeeper, 3 percent for the program aide, 3 percent for the receptionist and 2 percent for the Executive Director.

Commissioner Bowers asked if the agency ever tries to obtain donations from vendors, such as from Home Depot or Loews. Mr. Christenson said that the agency has not had that type of donation, they usually receive cash donations from family members.

City of Scottsdale, Community Services – Justin Boyd, Housing Rehab Coordinator, presented the agency's request for \$323,500 for the City of Scottsdale CDBG Housing Rehabilitation Program. The program provides assistance to homeowners in Scottsdale who are income qualified to repair and/or replace items to eliminate structural code violations and prevent incipient code violations, upgrade building components to meet property rehabilitation standards, provide modifications for the elderly and the disabled and preserve mature neighborhoods. The program will serve 15 households that have low to moderate incomes.

Housing Board Chair Edwards asked how many homes were rolled over from last year. Mr. Boyd said that all of the rehab client projects started last year were closed in last fiscal year; and, with this fiscal year, they have all new applicants, five of which have been completed.

Housing Board Chair Edwards asked if the \$400,000 left unspent is in this fiscal year. Mr. Boyd said yes. Housing Board Chair Edwards asked if the agency would spend all the money this fiscal year and Mr. Boyd said yes, he expects to.

Housing Board Member Morgan asked if there is a waiting list and Mr. Boyd said yes, there are currently 37 people on the waiting list and the approximate wait is one year. Housing Board Member Morgan asked why the list could not be shortened with funds the agency is requesting. Mr. Boyd said that there is a great deal of work involved in doing a rehab and just because a person is on the wait list does not mean that they are eligible for the program. He added that additional staff would accelerate the number of homes that could be rehabilitated during the year.

Commissioner Hemmingsen asked if the wait list was due to funding or staffing and Mr. Boyd said staffing. Commissioner Hemmingsen asked if there was a way to stream line the process so that the wait time isn't so great. Mr. Bethel said that they will be looking at ways to reengineer the process to expedite and increase sufficiency of programs, as well as look at processes not necessary to the programs. He added that those changes will take some time, but by next year the commission can expect to see an increase in productivity in the program.

Mr. Boyd added that in conjunction with the Housing Rehab program there is an Emergency Repair program, so if a resident is in dire emergency of a repair, they can apply for that program to hold them over until they receive funds from the rehab program; so, there are alternatives.

Commissioner Hemmingsen asked when the homes are sold does the funding go back into the program. Mr. Boyd said yes.

Housing Board Chair Edwards asked if there was a lien issue. Mr. Bethel said that there is a deferred loan process where the subsidy initially awards a maximum of \$23,500 with a lien on property. After three years, 50% of the maximum amount awarded is forgiven and the remaining continues as a lien until title transfer. When and if the title is transferred, the funds remaining come back to the city; staff then goes to the City Council to accept the funds. Since July of 2005, the program has received around \$90,000, so each year we are seeing a significant amount.

Housing Board Chair Edwards asked about the reduced amount awarded last funding year and asked if that accounts for the lag in completed rehabs. Mr. Bethel said that the reduced request of \$150,000 from the initial request of \$306,000 did not affect the lag, as all rehabs in the last fiscal year were completed. He added that there is an outstanding balance of approximately \$600,000, due to not fully expended monies from the two prior years.

FSL Home Improvement Programs (affiliate of Foundation for Senior Living) – JoAnn Thorpe, Program Coordinator, presented the agency's request for \$200,000 for the Emergency Home Repair Program. The program provides emergency type repairs required to maintain the safety and habitability of the household and to perform repairs to items that will prevent future problems. The program expects to serve 38 households, all of which are at low or moderate income.

Housing Board Chair Edwards asked if the agency returned monies due to lack of spending. Mr. Bethel said yes, there was a sum of \$11,000 out of \$175,000 awarded to the agency that was returned, but that was because of the seasonality of the program. He added that it is not as critical to expend their entire annual allocation June 30 of 2006, it is preferred that there is a bit of a slack in funding, because they want to make sure that the agency has funding after June 30, during the summer, when many of the emergency repairs are needed.

Vice-chair Reid asked if the bidding process was opened up to Phoenix contractors or Scottsdale contractors. Ms. Thorpe said that if she is required to go out for bid, if a job is over \$2,000 then she sends the bid to a number of contractors that she has on a list that have been reviewed i.e., that they have their license and are bonded. She said that then the bids will come back and the entire process usually take about 2 weeks.

Vice-chair Reid asked what happens if new contractors want to be on her list. Ms. Thorpe said new contractors can send her an application and fill out a questionnaire and she would be happy to review them.

Vice-chair Reid asked if the agency ever sends out ads for new contractors and Ms. Thorpe said yes.

Vice-chair Reid asked if the agency uses minority contractors and Ms. Thorpe said they do promote that as well.

Commissioner Czapinski left the meeting at 3:50 PM.

Public Facilities

Child Crisis Center – East Valley, Inc. (Center) – Christine Scarpati, Chief Executive Officer, presented the agency's request for \$75,000 for a Parenting Classroom. The funds will be used for construction of a larger facility, which will house the Center's Family Resource Center and the Center for children's Health and Life Development, in order to expand services and eventually service 50% more children and families. The funds will service 40 Scottsdale families that are from moderate to low-income homes.

Housing Board Member Morgan asked how a client gains access to the agency's facility. Ms. Scarpati said that the agency serves the entire valley, but they haven't found the demand for the agency to go out and pick up clients, so they usually are dropped off by family members, friends or they have their own transportation.

Vice-chair Reid asked why the agency only predicts serving 3 percent of Scottsdale residents. Ms. Scarpati said that until they are able to move to their new location and do marketing, they estimate that figure. She added that they are already serving twice the number of clients in Scottsdale as last year – 10. She added that some clients stay with the program for many years, are now volunteering or have become great mentors for other clients.

Commissioner Fausel asked if the funding request for the parenting class would be a broad base of different sessions and Ms. Scarpati said yes, the funding will also go for one of the rooms where staff will hold the classes. Ms. Scarpati added that the agency is going through the process to be able to do foster placement.

Mr. Bethel asked if the agency anticipates the construction to be completed before June 2007. Ms. Scarpati said yes, that is still our target. She added that the date depends on the plans being approved through the city, but Wells Fargo has made a commitment to the agency for bridge funding.

Mr. Bethel asked if the construction is contingent on the sale of the building for \$600,000 and Ms. Scarpati said no, they have pulled the sale of the building as they will be using it for supervised visits; she will send an updated budget and audit that reflects that change.

Girls Ranch (supporting organization of Florence Crittenton) – Ann Polunsky, Grant Writer, presented the agency's request for \$36,175 for Girls Ranch Group Home Repairs. The funds will provide windows, air conditional/heating units, registers, air intakes and an alarm system for a 3,500 square foot group home for girls. The funds will serve 40 Scottsdale residents, all from moderate to low-income homes.

Commissioner Fausel asked if the target clients will be served in Scottsdale and Ms. Polunsky said probably not.

Commissioner Fausel asked if the agency has approached any corporations for funding. Ms. Polunsky said that the agency has a fairly capable and large development department that raise over one million dollars per year; however, the those funding sources cover 70% of our costs and our program is very comprehensive from clothing, therapy, counseling to ongoing case management.

Commissioner Fausel asked if the agency was familiar with corporate companies such as Boeing or Salt River Project that have employees go to the group home during the year and take on projects like this. Ms. Polunsky said that they have had such companies come out and help us, but they don't provide the funds that are needed.

Commissioner Hemmingsen commented that she worked at Girls Ranch through her company and they did landscaping, painting and other needed odd jobs.

Housing Board Member Morgan asked why there is a need for a security alarm. Ms. Polunsky said to deter residents from leaving and others from coming in. Housing Board Member Morgan asked how many girls the agency currently serves. Ms. Polunsky said that the agency serves close to 800 kids in Maricopa county through all their programs. In the core program, they have 40 beds and serve close to 200 girls a year.

Mr. Bethel asked if the requested funds were a portion of the total budget. Ms. Polunsky said yes, those are the needed items to complete the repairs for now and open the home. Mr. Bethel said that part of the CDBG contractual obligations is compliance with regulations such as Davis Bacon, and he said if funded, Community Assistance staff can work with the agency to ensure compliance with CDBG regulations.

HOME Funds

Mr. Bethel indicated that with HOME funding there are different rules. The funding that the Community Assistance Office receives under the HOME program requires that the office is part of the Maricopa County Consortium, which consists of seven other cities. One of rules regarding HOME funds is that they are allowed up to 5 percent of year's total allocation to give to Community Housing Development Organization (CHDOs) for community development housing or for operational expenditures. Therefore, each participant can award up to \$50,000. He added that Community Services of Arizona and ARM Save the Family are CHDOs.

Community Services of Arizona –Jeff Hale, Housing Development Associate, presented the agency's request for \$50,000 for operating expenses for land and building in the Bellevue neighborhood. The program will serve at least eight households.

Housing Board Member Morgan asked if the agency needed the money prior to buying the property. Mr. Hale said that this funding would allow the agency to go to the city and say this is what we want to do, as well as cover costs for architectural fees, which we can't cover now.

Housing Board Chair Edwards asked if the requested funding is for predevelopment work. Mr. Hale said yes, either way they will have to put money out. Mr. Bethel added that the dollars the agency will spend would exceed the \$50,000 dollars requested.

Community Services of Arizona –Mike Fitz, Director of Single Family Housing Initiatives and Gayle Mickey, Homeownership Program Manager, presented the agency's request for \$350,000 for acquisition and rehabilitation of one single family home with project proceeds from sale of home use to provide homeownership education/counseling and down payment/closing cost assistance. The program will serve at least eleven households.

Housing Board Chair Edwards asked if the people on the agency's list were looking for homes. Ms. Mickey said yes, there are seven that are looking into purchasing a home in Scottsdale. Housing Board Chair Edwards asked if they were successful. Ms. Mickey said that although seven are looking, there were three that had closed on homes in Scottsdale.

Vice-chair Reid asked if the three who closed on homes bought single family homes and Ms. Mickey said no, they were three town homes.

Housing Board Member Morgan asked what portion of the requested funds were for down payments and what portion for education. Mr. Fitz said that the agency would provide \$30,000 for down payments and also using the funds for education, counseling, closing fees and environmental testing.

Commissioner Hemmingsen asked if \$30,000 is enough for a down payment now. Mr. Fitz said they were doing \$25,000, but they raised it. He added that the amount is just enough to buy town homes or condominiums; of the last two that sold, one was \$130,000 and one was \$123,000 and that is for small condos, but that is what is available. He added that if people qualify for a larger amount, they can try to purchase a single family home.

Commissioner Hemmingsen asked if the agency refers clients to specific lenders or do they let the clients find their own lender. Ms. Mickey said that they have a provider list and that list is for those lenders that are familiar with our program. She added that the agency is working on educating other lenders about the program.

Commissioner Hemmingsen said that the agency's 12 hours of education is extensive; what is the default rate of first mortgages. Mr. Fitz said that he wasn't sure they could answer that, but they could find out.

Justin Lisonbee said that Community Assistance staff did research this past year on verifying the ownership, and only two have sold and the rest are still owned and none in the Scottsdale program have been repossessed.

Housing Board Member Morgan asked how much of the requested \$350,000 is actually going to down payments. Ms. Fitz said that the proposal was a combo platter because the HOME dollars that they are requesting is for the purpose of acquiring the property, but the sales of the property would be used for education, counseling and down payments.

Commissioner Hemmingsen asked if the agency was aware that some lenders give 100% loans with no PMIs. Mr. Fitz said yes, but the agency requires a \$1,000 down payment so that clients have an investment in the home as well.

Gimme Shelter, Inc. – Miles Kappes, Executive Director, presented the agency's request for \$40,000 for new construction/reconstruction at 7010 E. Continental Drive in Scottsdale. The construction/

reconstruction of this multi-family rental will serve 59 Scottsdale residents, all from moderate to low-incomes.

Housing Board Member Morgan asked how far the negotiations have gone with the current owner to try to acquire the property. Mr. Kappes said that he spoke with the owner and informed him that the funding is Federal and so there would be limitations on the fair market feasibility and the agency would not pay more than that. He also informed him that the same funding takes longer than conventional lending.

Housing Board Member Morgan asked if the fair market feasibility was a Federal regulation, as usually the appraisal is done to see if the feasibility study is worth it, and you aren't involved in the feasibility until the escrow period, so the funds requested will not generate any capital improvements. Mr. Kappes said that is true; the agency may go through the process and find out the owner wants more than the property is worth. Housing Board Member Morgan asked if there was an asking price and Mr. Kappes said yes, 6 million dollars.

Housing Board Member Morgan commented that the agency is incorporated in the state of Indiana and asked if the agency intends on incorporating in Arizona. Mr. Kappes said yes, they are the process. Housing Board Member Morgan asked what is a foreign nonprofit and Mr. Kappes said that that is what Arizona calls a firm, such as they are, that are incorporated in one state and doing business in another.

Chair Bachmann asked, down the road, what the costs would be for maintenance. Mr. Kappes said that right now, there are 120 pads for trailers and RVs, and they are looking at 80 to 100 permanent homes in that location. He added that they first want to replace the homes without much disruption to the current residents. Currently there are 53 permanent residents and about half of the park is full. They would like to build single family detached homes two or three at a time, and move people from one side to the other as they are completed.

Housing Board Chair Edwards asked if the agency has any protection while they are negotiating with the owner. Mr. Kappes said no, they have a developer who is willing to give us the time, and it is his intention to develop at market rate, as well as stand by for a period of time to take control of the property and keep it as affordable property. Housing Board Chair Edwards commented that the agency was in a proverbial rock and a hard place and Mr. Kappes said yes, that is why the church and trailer park is requesting assistance.

Housing Board Chair Edwards asked what is the time schedule regarding the purchase of the park. Mr. Kappes said that the feasibility study can happen rapidly, then there is the condition of the property and the estimates that go along with that. He added that unless the owner gets a check for 6 million dollars, he would work with the agency.

Housing Board Chair Edwards asked if the agency has the developer to stand in for them and give the agency time to work on the proposal and if the land is unfeasible, will the developer do something else with the land. Mr. Kappes said that the agency's intention is to buy the land down to affordable, and that is the same goal as the developer. Housing Board Chair Morgan asked how much time the developer has given the agency to come up with funding for the project. Mr. Kappes said two years.

Chair Bachmann asked about the differing amounts for \$50,000 and on the blue sheets \$40,000 and asked if the agency had any other sources of income. Mr. Kappes said no they haven't explored other funding. Chair Bachmann asked if the agency wasn't totally funded, could they explore other avenues of funding and Mr. Kappes said yes, they would look for other sources.

Ms. James asked if what the agency is planning on doing would require a general plan amendment. Mr. Kappes said he didn't know; but, he did know that the property would have to be rezoned. Ms. James asked if it would be the agency that would go for the general plan amendment and if so, what would be their timing on that. Mr. Kappes said that if the feasibility study is funded, the agency plans on the spring of 2007 and not before.

STAFF AND COMMISSION UPDATES

Ms. James reminded Housing Board Members and Human Services Commissioners to turn in their scoring sheets. Ms. James said that the next time the Human Services Commission meets would be on Wednesday, February 8 in the City Hall Kiva to hear the Scottsdale Cares, General Fund and Endowment presentations. She reminded Human Services Commissioners to wear their badges and if someone did not have a badge, staff would obtain visitor's passes for the day. She thanked both the Housing Board and the Human Services Commission for all of their help in the hearing process.

OPEN CALL TO THE PUBLIC

Chairman Bachmann made an open call to the public for comments/questions/announcements or other business. There were no replies.

ADJOURN REGULAR MEETING

With no further business to discuss, Chair Bachmann asked for a motion to adjourn the meeting. Chair Bachmann moved to adjourn the meeting and Commissioner Hemmingsen seconded. The motion carried unanimously and the meeting adjourned at 5:10 pm.

NOTE: IN ACCORDANCE WITH PROVISION OF THE ARIZONA REVISED STATUTES, THE SUMMARIZED MINUTES OF THE HUMAN SERVICES COMMISSION MEETINGS ARE NOT VERBATIM TRANSCRIPTS. ONLY THE ACTIONS TAKEN AND DISCUSSION APPEARING WITH QUOTATION MARKS ARE VERBATIM.

SUBMITTED BY:

REVIEWED BY:

Recording Secretary

**Connie James
Director, Human Services**

Officially approved by the Human Services Commission on _____